

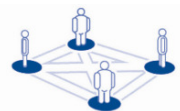


supported by
Federal Ministry
of Economics
and Technology

PROZEUS
PROZESSE und STANDARDS

eBusiness practice for SMEs
PROZEUS Information

www.prozeus.de



W Institut der deutschen
Wirtschaft Köln *Consult GmbH*

PROZEUS - At a glance

eBusiness standards – competitive factors in the global economy

For more than four years the eBusiness initiative PROZEUS has been answering questions from small and medium-sized enterprises (SMEs) about eBusiness standards for their size of company:

- ▶ Which business processes should we optimize?
- ▶ How can we introduce eBusiness?
- ▶ Which eBusiness standards do we need to implement?

PROZEUS – eBusiness practice for SMEs

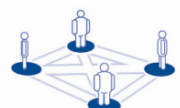
eBusiness standards ensure that a company's processes are made fast and efficient by seamless automation. PROZEUS provides clear information on eBusiness standards to help small and medium-sized companies acquire eBusiness competence. As part of the PROZEUS project selected SMEs are testing in their own operations eBusiness solutions based on globally applicable processes and standards. Examples of best-practice make clear that even small businesses can successfully introduce complex and integrated business processes. The test results are published in full detail and the new insights gained from these companies' practical experience are available to help other SMEs with their own eBusiness activities.

PROZEUS – What we offer

- ▶ **Best-practice examples from SMEs**
Selected SMEs implement eBusiness standards to serve as examples to their peers. The results are documented and made available to other SMEs in a form they can apply in their own businesses. Special emphasis is given to practical applications and the commercial benefits.
- ▶ **Vouchers for expert advice on initial implementation**
Experts provide individual advice to SMEs on the implementation of EAN standards / ECR processes (Efficient Consumer Response).
- ▶ **A network of experts on Standardisation in eBusiness**
Experts from companies and institutions in Germany combine their know-how on standardisation in eBusiness and give recommendations.
- ▶ **Multiplier networks**
Experts inform and train multipliers from employers', industrial and trade associations and representatives of IT service companies on the subject of eBusiness and the dissemination and application of eBusiness standards.
- ▶ **www.prozeus.de**
Best-practice examples, eBusiness Online Check, brochures and leaflets, and email hotlines are only a few of the features available online for research or downloading free of charge.

PROZEUS – A joint project

The PROZEUS project is being carried out jointly by GS1 Germany and IW Consult with the support of the Federal Ministry of Commerce and Technology.



Best Practice Example from the PROZEUS project:

Metal Construction Company Enhances the Quality of Product Data!

Winner of the Best Practice IT special award "Processes and Standards for More eBusiness in Medium Sized Companies" in the *Industry* Category.

Güde has been manufacturing screw locking and bent metal parts for almost 60 years. A workforce of almost 60 is employed at the factory site in the Köbbinghausen industrial estate. The company achieves almost half of its turnover through foreign customers. The introduction of BMEcat 2005 and eCI@ss 5.1 began at Güde GmbH within the scope of the PROZEUS project in March 2006. The company set itself the target of acquiring the capability to prepare and distribute electronic catalogues with technical product details and customer-specific price information.

The project was successfully completed in October 2006 with the certification of the electronic catalogue in accordance with BMEcat 2005. The deadline for completing the project was very tight: the catalogue had to be conceived and implemented ready for certification between March and September 2006.

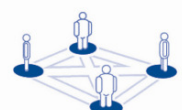
The company was supported in this by its long-serving IT service provider: the systems company Pro Active GmbH from Bielefeld is responsible for maintaining and looking after the ERP system Sage Office Line at Güde. This system forms the data basis for the catalogue and also prepares the BMEcat via a connected module. As an additional partner, BMEnet GmbH from Frankfurt provided the organizational framework for the project with their long years of experience in this field, and provided methodical support with the implementation of BMEcat and eCI@ss.

Contact between PROZEUS and Güde was established through the mediation of the company F. Reyher Nchfg. GmbH & Co. KG, Hamburg. As a trading company for connection and fastening technology, Reyher is one of Güde's biggest customers. Reyher was heavily involved in the project as an exemplary advocate of the electronic catalogue. On the basis of several years of practical experience with BMEcat and precise ideas about the layout and content of the catalogue, Reyher helped to structure the project from a practical point of view.

Project Contents

The project phases and concept in regard to content were laid down in detail in a specification sheet at the beginning of the project. It had to be established initially which data had to be recorded for the Güde products and then passed on to customers in the form of a catalogue. A standardized washer, for example, is defined essentially through the material it is made of, the surface protection used and the inside diameter.

For the customer, however, parameters such as the thickness of the washer, its outside diameter and its weight can be of importance and they expect to find this information in a catalogue rather than a standards manual. The data was then processed in a second, very labour-intensive phase. Up to 26 different characteristics were recorded for each of the approx. 6,000 articles in the Güde range, which meant that the majority of the more than 100,000 data fields had to be completed manually by the Güde staff, despite the data basis which already existed for some articles.



Parallel to this, the IT service provider Pro Active began with the implementation of the established functions in Güde's Sage Office Line ERP system. The database had to be prepared to accept the new data and a program for processing the data in the required format had to be integrated into the software. When doing so, the eCI@ss specifications were linked with the technical characteristics of the articles. After the test, BMEcat received final certification from BMEnet. Improved presentation of the company's own product range (width and technology), closer customer ties and the preparation of electronic communication processes with customers were achieved as effects of this.

Ancillary Data

The project involved a total of approx. 90 days plus roughly 15 additional days invested by Reyher to accompany the project. The total period amounted to seven months. The documentation which accompanied the project is available in the internet at the PROZEUS website under www.prozeus.de.

Rolf Hoyer, Project Manager:

"We were able to intensify contacts to several customers to a very great extent and considerably simplify the exchange of product data at the same time".



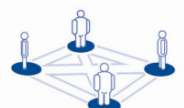
GÜDE GMBH

Plettenberg, North Rhine-Westphalia

50 employees

Annual sales: EUR 15 million

www.guede.net



Best Practice Example from the PROZEUS project:

Toilet Bag Manufacturer Given New Options Through Stock Management

Winner of the Best Practice IT special award "Processes and Standards for More eBusiness in Medium Sized Companies" in the *Consumer Goods Business* Category.

The company Enderlein GmbH & Co. KG is a proprietor-managed, medium-sized business which specializes in the production of toilet bags. Founded in 1919 as a wholesaler for drugstore products, Enderlein operates two production sites today. The company became involved in various eBusiness topics at an early stage and has been using category management processes and cross docking in its logistics since the mid-90s. Together with Karstadt Warenhaus GmbH, Enderlein successfully completed a project to set up a manufacturer-controlled stock management system at the beginning of August 2004.

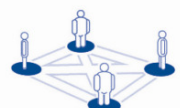
With the concept of manufacturer-controlled stock management, which is also known as Vendor Managed Inventory (VMI), the manufacturer generates the orders for traders on the basis of the stocks on hand at branches/stores, sales of goods from branches/stores and scheduled sales promotion measures at the sales outlets. In doing so, the manufacturers take over the control of stocks on behalf of the trading company in the areas assigned to them.

Project Procedure

It was examined initially which external products and companies (business consultants, programmers) were required for the implementation of IT-orientated activities. Thanks to the hard and software already available, there was no need to procure any new hardware. The existing software was expanded by an external company to enable the exchange of sales and inventory data per EDI. A newly established database serves as the basis for evaluating the data and preparing reports/forecasts. Various programs were created which import incoming sales and inventory data, compare it with internal article master data, evaluate it and process it for reports. With 38 man-days, this programming work constituted the biggest work package within the implementation phase. Other important work phases involved the training and qualification of the company staff, because a change in the structures and procedures within the company means that personnel also have to change the way they work, think and act.

Enderlein receives inventory and sales data from Karstadt for each branch at regular intervals by means of standardized, electronic data exchange. Because the existing data processing systems of both companies have been tied in here, elaborate and expensive intervention in system processes at Karstadt were not necessary.

The new processes enable an optimized product presence at the Karstadt branches as well as demand-orientated range planning at Enderlein. In doing so, the individual and specific knowledge of the consumer goods supplier regarding range planning and market developments are taken into account when reordering the articles carried by the trading company.



Synopsis

In addition to improved strategic positioning, a tangible improvement of economic efficiency has been the main benefit of manufacturer-controlled stock management for Enderlein too. By means of VMI, out-of-stocks (items not available on the shelves) were reduced from twelve to three days during a test phase. Sales at the Karstadt test branches controlled by VMI increased by 22.4%, as opposed to a 4.3% sales growth at comparable branches. Articles not accepted by the consumer – so-called sleepers – were recognized after only two instead of six months. Today, VMI is an important part of Enderlein's corporate policy which helps the company to maintain its position in the market.

Hansjoachim Salbach, Managing Director:

"Toilet bags are seasonal sellers. For Karstadt – and for us too – it is important that the residual stocks written off at the end of the season are kept to a minimum. With the help of Vendor Management Inventory (VMI), stocks can be checked and optimized directly by the manufacturer".



Enderlein GmbH & Co. KG Berlin
Consumer Goods Industry
(Toilet Bags)
190 employees
Annual sales: EUR 10 million
www.enderlein.de

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